
Finance Committee

HB 2231

Brief Description: Authorizing a property tax levy to reimburse taxing districts for property taxes refunded under chapter 84.69 RCW and property taxes abated under RCW 84.70.010.

Sponsors: Representatives Miloscia and Priest; by request of Department of Revenue.

Brief Summary of Bill

- Allows property tax refund levies to recover taxes that are abated on destroyed property.

Hearing Date: 2/24/09

Staff: Rick Peterson (786-7150)

Background:

Property tax refunds are made for a number of reasons including, clerical errors in extending the tax rolls or errors in listing the property. Also, a successful challenge to a property's assessed values may result in a court order to refund taxes. A county tax refund levy is authorized to compensate for property tax refunds that are made. The refund levy includes refunds from both regular and excess levies. These refund levies are subject to the district's statutory rate limit and the 1 percent revenue limit. Therefore, they can only be made to the extent the district is below its maximum rate and only to the extent that the total rate is less than \$10 per \$1,000 of value.

Taxes are abated on property that is destroyed, in whole or in part, or is in an area that has been declared a disaster area by the Governor or the county legislative authority and has been reduced in value by more than 20 percent as a result of a natural disaster. The amount of the abatement is proportional to the value reduction and the number of days remaining in the year. If the taxes have already been paid, then they are refunded.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Summary of Bill:

Property tax refund levies may be made to recover taxes that are abated on destroyed property. These property tax refund levies are not subject to the 1 percent revenue limit.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.